

AMUNDI FUNDS BOND GLOBAL CORPORATE - IU

MONTHLY
REPORT

31/03/2017

BOND ■

Key information (source : Amundi)

Net Asset Value (NAV) : 1,661.83 (USD)
NAV and AUM as at : 31/03/2017
ISIN code : (A) LU0319688445
(D) LU0319688528
Assets Under Management (AUM) :
460.96 (million USD)
Sub-fund reference currency : USD
Share-class reference currency : USD
Benchmark :
100% ML GLOBAL LARGE CAP CORPORATE
HEDGED
Morningstar Overall Rating © : 4 stars
Morningstar Category © :
GLOBAL CORPORATE BOND - USD HEDGED
Number of funds in the category : 128
Rating date : 28/02/2017
Last coupon date : USD

Investment Objective

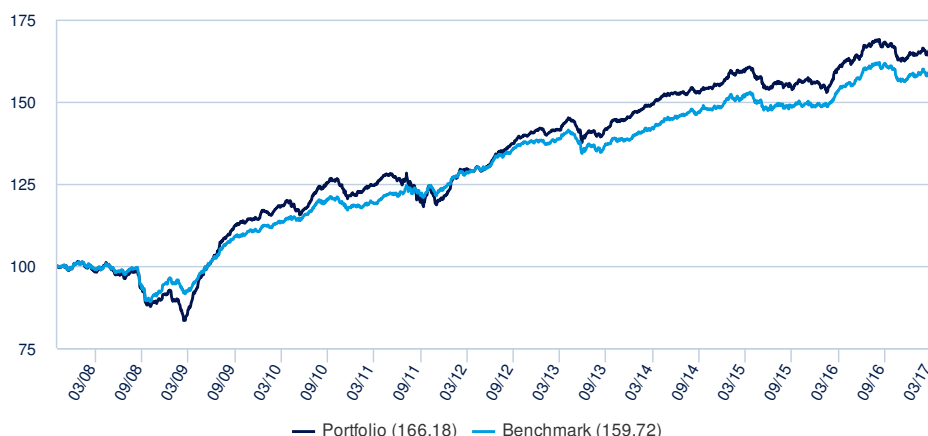
The investment objective is to create value by focusing primarily on the different sources of credit performance and by combining two approaches: top down and bottom up. The systematic management encompasses the global credit and the sector allocation. For the specific risk management, the investment team work closely with the Credit analysis team to define the key factors affecting the credit spreads of issuers and securities.

Information

Fund structure : UCITS
Sub-fund launch date : 30/10/2007
Share-class inception date : 30/10/2007
Eligibility : -
Type of shares : (A) Accumulation
(D) Distribution
Minimum first subscription / subsequent :
500000 USD / 1 thousandth(s) of (a) share(s)
Entry charge (maximum) : 2.50%
Ongoing charge : 0.77% (realized 30/06/2016)
Exit charge (maximum) : 0%
Minimum recommended investment period : 3 years
Performance fees : Yes

Returns

Performance evolution (rebased to 100) * from 30/10/2007 to 31/03/2017



Risk & Reward Profile (SRRI)



- Lower risk, potentially lower rewards
- Higher risk, potentially higher rewards

The SRRI represents the risk and return profile as presented in the Key Investor Information Document (KIID). The lowest category does not imply that there is no risk. The SRRI is not guaranteed and may change over time.

Volatility

	1 year	3 years	5 years
Portfolio volatility	3.47%	3.34%	3.41%
Benchmark volatility	3.42%	3.14%	3.21%

Volatility is a statistical indicator that measures an asset's variations around its average value. For example, market variations of +/- 1.5% per day correspond to a volatility of 25% per year.

Cumulative returns *

Since	YTD	1 month	3 months	1 year	3 years	5 years	Since
	30/12/2016	28/02/2017	30/12/2016	31/03/2016	31/03/2014	30/03/2012	30/10/2007
Portfolio	1.28%	0.03%	1.28%	3.54%	11.30%	28.45%	66.18%
Benchmark	1.23%	-0.10%	1.23%	3.92%	12.53%	24.36%	59.72%
Spread	0.05%	0.13%	0.05%	-0.37%	-1.23%	4.10%	6.46%

Calendar year performance *

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Portfolio	5.34%	0.06%	7.23%	2.76%	16.41%	-0.51%	6.75%	25.39%	-8.64%	-
Benchmark	6.23%	-0.24%	7.60%	0.09%	11.51%	4.68%	7.24%	16.54%	-5.05%	-
Spread	-0.89%	0.30%	-0.37%	2.67%	4.90%	-5.19%	-0.48%	8.84%	-3.59%	-

* Source : Amundi. The above results pertain to full 12-month period per calendar year. All performances are calculated net income reinvested and net of all charges taken by the Sub-Fund and expressed with the round-off superior. Past performance is not a reliable indicator of future performance. The value of investments may vary upwards or downwards according to market conditions.

Top 10 issuers

MORGAN STANLEY	2.79%
KRAFT HEINZ FOODS CO	2.47%
GOLDMAN SACHS GRP INC	2.27%
Petroleos Mexicanos (PEMEX)	2.08%
AT&T INC	1.98%
SOCIETE GENERALE	1.72%
VOLKSWAGEN INTL FIN NV	1.70%
BANK OF AMERICA CORP	1.55%
SANTANDER UK GRP HLDG PLC	1.49%
ANHEUSER-BUSCH INBEV FINANCE	1.49%

Fund statistics

	Portfolio	Benchmark
Yield	3.37%	2.96%
Modified duration ¹	5.74	6.33
Average rating ³	BBB	A-

¹ Modified duration (in points) estimates a bond portfolio's percentage price change for 1% change in yield

³ Based on cash bonds and CDS but excludes other types of derivatives



Grégoire Pesques, CFA

Head of Global and US Credit Management - Portfolio manager

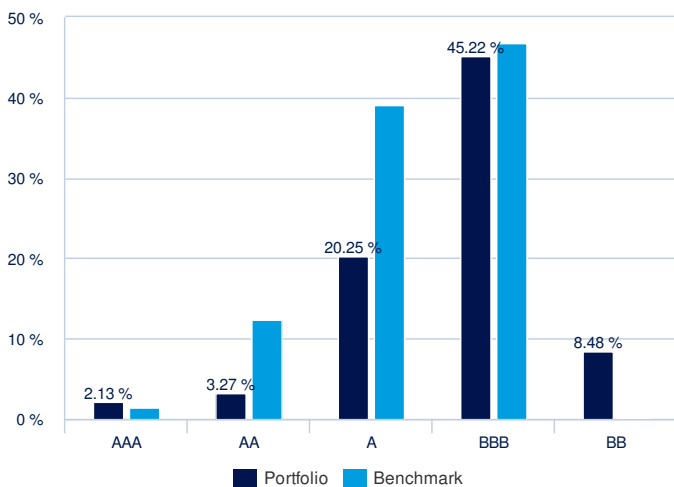
Management commentary

While the recent policy developments in the US and Europe have continued to drive the market sentiment, the solid global economic data delivered a positive backdrop for most risk assets in March. As expected, the US Fed raised short-term interest rates for only the third time since the financial crisis, but the absence of change in its economic and fed fund projections has dispelled rumours about a permanent shift in policy. This, together with the failure of the Trump administration to secure the adoption of crucial healthcare reforms, has then put downward pressure on yields as investors reassessed the prospects of pro-growth policies. Meanwhile in Europe, the market-positive outcome of the Dutch election has pulled back the first hurdle on the European political agenda, which brought relief to spread products whilst easing fears over a National Front victory in the French presidential election in May. At month end, the UK finally triggered the Article 50, almost exactly nine months after the EU referendum.

In this context, performance across credit markets has been mixed to positive in March. The supportive macro and micro momentum and the accommodative global monetary policy stance enabled global corporate bond spreads to remain fairly stable over the month. EUR denominated bond spreads pushed 6bps tighter in the backdrop of improving growth expectations and reduced political concerns, particularly in France. On the other hand of the spectrum, USD denominated IG corporate bonds posted negative excess returns amid doubts over the Trump administration's ability to push forward the expected fiscal stimulus measures. Sector-wise, excess return was led by Financials and Healthcare, whereas the worst performing sectors included Metals & Mining and Energy as Brent crude oil temporarily fell below \$50/bbl. after US crude inventories climbed to a fresh record. High grade new issuance volume was steady in March, setting a new record for Q1.

Portfolio breakdown by credit rating

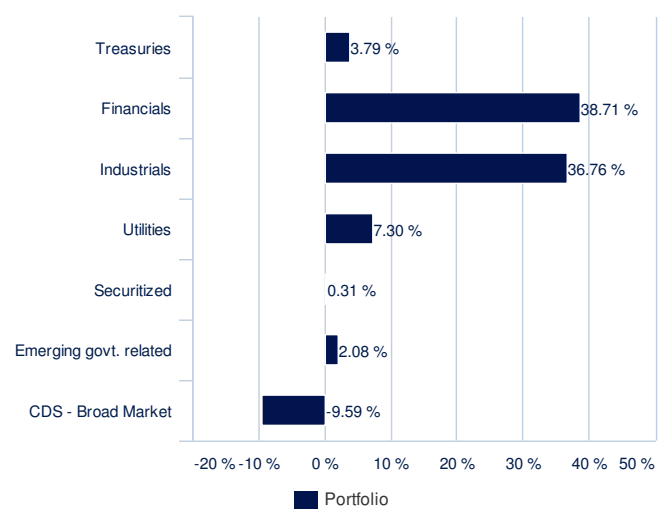
% of assets **



** Includes Credit Default Swaps

Sector allocation

% of assets



Legal information

Amundi Funds is a UCITS organised as an open-ended investment company (société d'investissement à capital variable, "SICAV") under the laws of the Grand Duchy of Luxembourg, and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF"). Number of registration RCS B68.806. UK retail investors will not have any protection under the UK Financial Services Compensation Scheme. There will be no right to cancel an agreement to purchase fund units under section 15 of the UK Financial Services Conduct of Business Sourcebook. AMUNDI FUNDS BOND GLOBAL CORPORATE, which is a sub-fund of Amundi Funds, has been recognised for public marketing in United Kingdom by the Financial Conduct Authority (FCA). The issuer of this document is Amundi, 90 Boulevard Pasteur, 75730 Cedex 15 - France, registered in France under number GP 04000036, authorised and regulated by the Autorité des Marchés Financiers. This document is not a Prospectus. The offering of shares in Amundi Funds can only be made using the official Prospectus. The latest prospectus, the key investor information document ("KIID"), the articles of incorporation as well as the annual and semi-annual reports are available free of charge from the facilitating agent (Amundi London Branch, 41 Lothbury, London EC2R 7HF, United-Kingdom) and on our website www.amundi.com. The latest available prospectus, more specifically on risk factors, as well as the KIID should be consulted before considering any investment. The data source of this document is Amundi except otherwise mentioned. The date of these data is indicated under the mention MONTHLY REPORT at the top of the document except otherwise mentioned. Warnings: Please read the Prospectus carefully before you invest. Remember that the capital value and the income from investments may go down as well as up and that changes in rates of exchange between currencies may have a separate effect also causing the value of the investments to decrease or to increase. Past performance is not necessarily a guide to future performance. Investors may not get back the amount they originally invested. Investors should note that the securities and financial instruments contained herein may not be suitable for their investment objectives.



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